

31 October 2018

Dear Shareholder,

As announced to the ASX on 29 October 2018, WAM Capital Limited (**WAM Capital**) succeeded with its takeover offer for Wealth Defender Equities Limited (**WDE** or **Company**) (**Offer**).

WAM Capital intends to compulsorily acquire any remaining WDE shares that it does not hold. Compulsory acquisition notices have been dispatched to all WDE shareholders who have not accepted WAM Capital's Offer.

Notwithstanding that the Offer has proceeded to compulsory acquisition of your WDE shares, WDE is still required to hold an Annual General Meeting (**AGM**) and in accordance with the requirements of the Corporations Act 2001 (*Cth*), must do so by 30 November 2018. Accordingly, enclosed is a Notice of Meeting for WDE's 2018 AGM which sets out the items of business to be considered at the AGM.

WDE's 2018 AGM will be held on 30 November 2018 commencing at 8.30am (Sydney time) at the offices of Wilson Asset Management (International) Pty Limited, Level 26, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000.

If you are unable to attend the AGM, I encourage you to complete and return the enclosed Proxy Form no later than 8.30am (Sydney time) on 28 November 2018, in one of the ways specified in the Notice of Meeting and Proxy Form.

I also encourage you to read the enclosed Notice of Meeting (including the Explanatory Memorandum) and the Proxy Form and consider directing your proxy how to vote on each resolution by marking either the "for" box, the "against" box or the "abstain" box on the Proxy Form.

Following the conclusion of the AGM, you are welcome to join the Board and Management for light refreshments.

Thank you for your continued support of WDE and I look forward to your attendance and the opportunity to meet with you.

Yours sincerely,



**Geoff Wilson AO**  
Chairman

**WEALTH DEFENDER EQUITIES LIMITED**  
**ABN 15 602 517 528**

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the 2018 Annual General Meeting (**AGM** or **Meeting**) of shareholders of Wealth Defender Equities Limited (**WDE** or **Company**) will be held:

Date: 30 November 2018

Time: 8.30am (Sydney time)

Venue: Wilson Asset Management (International) Pty Limited , Level 26, Governor Phillip Tower,  
1 Farrer Place, Sydney NSW 2000

The Explanatory Memorandum accompanying this Notice of Meeting provides additional information on matters to be considered at the AGM. The Explanatory Memorandum, Entitlement to Attend and Vote section and Proxy Form are part of this Notice of Meeting.

**A. CONSIDERATION OF REPORTS**

To receive and consider the Financial Report, the Directors' Report and the Independent Auditor's Report of the Company for the financial year ended 30 June 2018.

All shareholders can view the Annual Report which contains the Financial Report, the Directors' Report and the Independent Auditor's Report of the Company for the year ended 30 June 2018 on the Company's website at [www.wealthdefenderequities.com](http://www.wealthdefenderequities.com).

**B. QUESTIONS AND COMMENTS**

Following consideration of the Reports, the Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chairman will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- a. the conduct of the audit;
- b. the preparation and content of the Independent Auditor's Report;
- c. the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- d. the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Auditor's Report or the conduct of the audit. A list of relevant written questions submitted by shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the Meeting.

## **C. ITEMS FOR APPROVAL**

### **Resolution 1. Election of Director – Geoffrey Wilson**

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

*“That, Geoffrey Wilson, having been appointed as a Director of the Company on 22 October 2018, be elected in accordance with rule 6.3(a) of the Company’s Constitution.”*

### **Resolution 2. Election of Director – James Chirnside**

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

*“That, James Chirnside, having been appointed as a Director of the Company on 22 October 2018, be elected in accordance with rule 6.3(a) of the Company’s Constitution.”*

### **Resolution 3. Election of Director – Lindsay Mann**

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

*“That, Lindsay Mann, having been appointed as a Director of the Company on 22 October 2018, be elected in accordance with rule 6.3(a) of the Company’s Constitution.”*

### **Resolution 4. Re-election of Director – Alan Schoenheimer**

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

*“That, Alan Schoenheimer offers himself for re-election under rule 6.7 of the Company’s Constitution and as a Director of the Company.”*

### **Resolution 5. Remuneration Report**

To consider and if thought fit, pass the following as an advisory resolution of the Company:

*“That the Company’s Remuneration Report for the financial year ended 30 June 2018, as set out in the Directors’ Report, is adopted.”*

The Remuneration Report is contained in the 2018 Annual Report (available at [www.wealthdefenderequities.com](http://www.wealthdefenderequities.com)).

Please note that, in accordance with section 250R(3) of the Corporations Act 2001 (Cth) (the **Act**), the vote on this resolution is advisory only and does not bind the Directors or the Company. However, if 25% or more of the votes cast on this resolution are against the resolution, the conditional spill resolution detailed under item 6 below will be put to shareholders for their consideration and vote.

#### **Voting Exclusion Statement**

A vote on Resolution 5 must not be cast (in any capacity) by, or on behalf of, the following persons:

- a. a member of the Key Management Personnel (**KMP**) whose remuneration details are included in the 2018 Remuneration Report; or
- b. a closely related party of such a KMP (including close family members and companies the KMP controls).

However, a person described above may cast a vote on Resolution 5 as a proxy if the vote is not cast on behalf of a person described above and either:

- a. the proxy appointment is in writing that specifies the way the proxy is to vote (e.g. for, against, abstain) on the resolution; or
- b. the vote is cast by the chair of the Meeting and the appointment of the chair as proxy:
  - i. does not specify the way the proxy is to vote on the resolution; and
  - ii. expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

In accordance with section 250BD of the Corporations Act 2001 (Cth), a vote must not be cast on Resolution 5 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

“Key management personnel” and “closely related party” have the same meaning as set out in the Corporations Act 2001 (Cth).

## Contingent Business

### Resolution 6. Conditional Spill Resolution

Resolution 6 is a conditional resolution. The resolution is conditional on at least 25% of the votes cast on Resolution 5 (Remuneration Report) being cast against the adoption of the Remuneration Report. Please refer to the Explanatory Memorandum for further information.

If required, to consider and if thought fit to pass the following as an ordinary resolution:

*“That, subject to and conditional on at least 25% of the votes cast on Resolution 5 (Remuneration Report) being cast against the adoption of the Remuneration Report:*

- (a) an extraordinary general meeting of the Company (the **Spill Meeting**) will be held within 90 days of the passing of this resolution;*
- (b) all of the Directors in office when the resolution to approve the Directors’ Report for the financial year ended 30 June 2018 was passed (being Alan Schoenheimer, Paul Clitheroe, Richard Morath and John Murray) and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- (c) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting.”*

### Voting Exclusion Statement

A vote on Resolution 6 must not be cast (in any capacity) by, or on behalf of, the following persons:

- a. a member of the Key Management Personnel (**KMP**) whose remuneration details are included in the 2018 Remuneration Report; or
- b. a closely related party of such a KMP (including close family members and companies the KMP controls).

However, a person described above may cast a vote on Resolution 6 as a proxy if the vote is not cast on behalf of a person described above and either:

- a. the proxy appointment is in writing that specifies the way the proxy is to vote (e.g. for, against, abstain) on the resolution; or
- b. the vote is cast by the chair of the Meeting and the appointment of the chair as proxy:
  - iii. does not specify the way the proxy is to vote on the resolution; and
  - iv. expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

In accordance with section 250BD of the Corporations Act 2001 (Cth), a vote must not be cast on Resolution 6 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

“Key management personnel” and “closely related party” have the same meaning as set out in the Corporations Act 2001 (Cth).

BY ORDER OF THE BOARD

A handwritten signature in cursive script that reads "S. Prince".

**Sarah Prince**  
**Company Secretary**  
31 October 2018

## **ENTITLEMENT TO ATTEND AND VOTE**

In accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm (Sydney time) on 28 November 2018 will be entitled to attend and vote at the AGM as a shareholder.

If more than one joint holder of shares is present at the AGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

### *Appointment of Proxy*

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act 2001 (Cth) (the **Act**) to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the Share Registry of the Company no later than 8.30am (Sydney time) on 28 November 2018. Proxies must be received before that time by one of the following methods:

By post:	Wealth Defender Equities Limited C/- Wilson Asset Management Level 26, 1 Farrer Place Sydney NSW 2000 Australia
By facsimile:	(02) 9247 6855 (within Australia) +61 2 9247 6855 (from outside Australia)
By delivery in person:	Wilson Asset Management Level 26, 1 Farrer Place Sydney NSW 2000

To be valid, a proxy must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

### *Power of Attorney*

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 8.30am (Sydney time) on 28 November 2018, being 48 hours before the AGM.

### *Corporate Representatives*

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements under section 250D of the Act. The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as the company's representative. A "Certificate of Appointment of Corporate Representative" form may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

IMPORTANT: If you appoint the Chairman of the Meeting as your proxy, or the Chairman becomes your proxy by default, and you do not direct your proxy how to vote on Resolution 5 then by submitting the proxy form you will be expressly authorising the Chairman to exercise your proxy on the relevant resolution, even though the resolutions are connected, directly or indirectly, with the remuneration of the KMP.

**ENCLOSURES**

Enclosed is a proxy form to be completed if you would like to be represented at the AGM by proxy.

## **EXPLANATORY MEMORANDUM**

This Explanatory Memorandum has been prepared for the information of shareholders of the Company (**Shareholders**) in relation to the business to be conducted at the Company's AGM to be held on 30 November 2018.

The purpose of this Explanatory Memorandum is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions.

Subject to the abstentions noted below, the Directors unanimously recommend Shareholders vote in favour of all Resolutions. The Chairman of the Meeting intends to vote all available undirected proxies in favour of each resolution.

Resolutions 1, 2, 3, 4 and 6 are ordinary resolutions, which require a simple majority of votes cast by Shareholders present and entitled to vote on the resolution. Resolution 5 is advisory and does not bind the Directors or the Company.

### **Resolution 1. Election of Director – Geoff Wilson**

The Directors of the Company appointed Geoff Wilson as a non-executive Director of the Company on 22 October 2018 in accordance with Rule 6.2(b) of the Company's Constitution.

In accordance with Rule 6.2(b) and Rule 6.3(a), Mr Wilson retires as a director and offers himself for re-election.

Geoff Wilson has over 38 years' direct experience in investment markets having held a variety of senior investment roles in Australia, the UK and the US. Geoff founded Wilson Asset Management in 1997. Geoff created Australia's first listed philanthropic wealth creation vehicles, Future Generation Investment Company and Future Generation Global Investment Company. Geoff holds a Bachelor of Science, a Graduate Management Qualification and is a Fellow of the Financial Services Institute of Australia and the Australian Institute of Company Directors (AICD).

Mr Wilson currently holds the following directorships:

- WAM Capital Limited - Chairman
- WAM Research Limited - Chairman
- WAM Active Limited - Chairman
- WAM Leaders Limited - Chairman
- WAM Microcap Limited - Chairman
- WAM Global Limited - Chairman
- Australian Stockbrokers Foundation - Chairman
- Future Generation Global Investment Company Limited - Director and Founder
- Future Generation Investment Company Limited - Director and Founder
- Australian Leaders Fund Limited - Director
- Century Australia Investments Limited - Director
- 8IP Emerging Companies Limited – Director
- Hearts and Minds Investments Limited – Director
- Incubator Capital Limited - Director
- Sporting Chance Cancer Foundation - Director
- Australian Fund Managers Foundation - Director
- Australian Children's Music Foundation - Director
- Second Bite NSW — Advisory Committee Member

Mr Wilson has confirmed that his current roles and directorships will not prevent him from bringing independent judgement to bear on issues before the board of WDE nor will they prevent him from acting in the best interests of WDE and its shareholders generally.

*The Directors, with Mr Wilson abstaining, unanimously recommend Shareholders vote in favour of this Resolution.*

## **Resolution 2. Election of Director – James Chirnside**

The Directors of the Company appointed James Chirnside as a non-executive Director of the Company on 22 October 2018 in accordance with Rule 6.2(b) of the Company's Constitution.

In accordance with Rule 6.2(b) and Rule 6.3(a), Mr Chirnside retires as a director and offers himself for re-election.

James Chirnside has been involved in financial markets for over 30 years mainly as an equities fund manager across a broad range of sectors. James is currently Chairman and Managing Director of Dart Mining NL. Prior to this, James worked as a fund manager and proprietary metals trader in Sydney, Hong Kong, London, and Melbourne. Between 2002 and 2012, James ran equities fund manager Asia Pacific Asset Management. From 2000-2001, James worked for Challenger Financial Group in Sydney as a product manager responsible for hedge fund investments. During the 1990s, James managed frontier and emerging market hedge funds in Hong Kong and London for Regent Fund Management (now London AIM listed Charlemagne Capital). Between 1988 and 1992, James ran a proprietary trading book for County NatWest Investment Bank, based in London.

Mr Chirnside currently holds the following directorships:

- WAM Capital Limited — Director
- Cadence Capital Limited — Director
- Mercantile Investment Company Limited — Director
- Ask Funding Limited — Director
- Dart Mining NL — Director

Mr Chirnside has confirmed that his current roles and directorships will not prevent him from bringing independent judgement to bear on issues before the board of WDE nor will they prevent him from acting in the best interests of WDE and its shareholders generally.

*The Directors, with Mr Chirnside abstaining, unanimously recommend Shareholders vote in favour of this Resolution.*

## **Resolution 3. Election of Director – Lindsay Mann**

The Directors of the Company appointed Lindsay Mann as a non-executive Director of the Company on 22 October 2018 in accordance with Rule 6.2(b) of the Company's Constitution.

In accordance with Rule 6.2(b) and Rule 6.3(a), Mr Mann retires as a director and offers himself for re-election.

Lindsay Mann has more than 40 years' financial services experience. He was formerly Chairman of Premium Investors Pty Limited (formerly Premium Investors Limited). Prior to that Lindsay was CEO (Singapore) and Regional Head Asia for First State Investments, the Asian business of Colonial First State Global Asset Management. Prior to this, Lindsay was CEO of AXA Investment Managers in Hong Kong. He is a Fellow of the Institute of Actuaries of Australia and a Graduate member of the Australian Institute of Company Directors.

Mr Mann currently holds the following directorships:

- WAM Capital Limited — Director
- WAM Leaders Limited — Director
- UCA Funds Management Limited — Director

Mr Mann has confirmed current roles and directorships will not prevent him from bringing independent judgement to bear on issues before the board of WDE nor will they prevent him from acting in the best interests of WDE and its shareholders generally.

*The Directors, with Mr Mann abstaining, unanimously recommend Shareholders vote in favour of this Resolution.*

#### **Resolution 4. Re-election of Director – Alan Schoenheimer**

Alan Schoenheimer was appointed as an independent Non-Executive Director of the Company on 27 January 2015 and was re-elected as a Director at the 2017 AGM. In accordance with Rule 6.7 of the Constitution, Alan Schoenheimer retires from office at the conclusion of the AGM and is eligible for re-election as a Director of the Company.

Alan Schoenheimer was Chairman of the Board from the date of his appointment until 22 October 2018. Mr Schoenheimer is also a member of the Company's Audit & Risk Committee.

Mr Schoenheimer has deep knowledge of the global funds management industry having most recently held senior fund management director roles in Australia, New Zealand, Europe (Ireland), Japan, Singapore, Korea and China while working with Russell Investments. Early in his career, he worked for various petrochemical enterprises as a design engineer in Australia, UK, USA and South Africa.

Mr Schoenheimer is also a Director of Nulis Nominees (Australia) Limited, the corporate trustee for the MLC Super Fund.

The Board considers that Mr Schoenheimer is an independent director.

*The Directors, with Alan Schoenheimer abstaining, unanimously recommend Shareholders vote in favour of this Resolution.*

#### **Resolution 5. Remuneration Report**

Section 250R(2) of the Corporations Act 2001 (Cth) (the **Act**) requires that the section of the Directors' Report dealing with the remuneration of directors and key management personnel (**KMP**) of the Company (**Remuneration Report**) be put to the vote of shareholders for adoption by way of a non-binding vote.

Broadly, the Remuneration Report details the remuneration policy for the Company and:

- explains the structure of and rationale behind the Company's remuneration practices and the link between the remuneration of executives and the Company's performance;
- sets out remuneration details for each Director and for each executive with authority and responsibility for directing the affairs of the Company; and
- discusses the relationship between the policy and Company performance.

Shareholders can view the full Remuneration Report in the Annual Report which is available on WDE's website at [www.wealthdefenderequities.com](http://www.wealthdefenderequities.com).

Following consideration of the Remuneration Report, the Chairman of the Meeting will give shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report. A resolution that the Remuneration Report be adopted will then be put to the vote. The vote on this resolution is advisory only and does not bind the Directors or the Company. However the Board will take the outcome of the vote into account in setting remuneration policy for future years.

*The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this Resolution.*

## **Resolution 6. Conditional Spill Resolution**

This resolution is a 'conditional' resolution. Resolution 6 is conditional on at least 25% of the votes cast on Resolution 5 (Remuneration Report) being cast against the adoption of the Remuneration Report, ie if the Company receives a "second strike".

Resolution 6 (**Spill Resolution**) is required to be included in the Notice of Meeting because at least 25% of the votes cast on the adoption of the Remuneration Report contained in the Company's 2017 Annual Report were against the adoption of the report (ie at the 2017 AGM, the Company received a "first strike").

If less than 25% of the votes cast on Resolution 5 are against adopting the Remuneration Report at the 2018 AGM, then there will be no second strike and Resolution 6 will not be put to the meeting.

### Majority required for Spill Resolution

If required, the Spill Resolution will be considered as an ordinary resolution. If a "second strike" is received and the Spill Resolution is passed, a Spill Meeting must be held within 90 days of the passing of the Spill Resolution.

### The Spill Meeting

If a Spill Meeting is held, the only Director who will cease to hold office immediately before the end of the Spill Meeting (unless he resigns before the Spill Meeting), pursuant to section 250V(1)(b)(i) of the Corporations Act, will be Mr Alan Schoenheimer. This assumes that Mr Schoenheimer is re-elected at this AGM. Mr Morath, Mr Clitheroe and Mr Murray all resigned as Directors of the Company on 22 October 2018.

Mr Schoenheimer is eligible to stand for re-election at the Spill Meeting intends to seek re-election.

Shareholders should be aware however that the convening of a separate Spill Meeting will result in the Company incurring material additional expense in conducting a meeting as well as disruption and distraction to the focus of core business operations.

### Voting on Spill Resolution

The Chairman of the Meeting intends to vote all available undirected proxies against this Spill Resolution 6.

*The Directors, unanimously recommend Shareholders vote AGAINST this Resolution.*

A voting exclusion applies to Resolutions 5 and 6, and is set out in the Notice of Meeting.